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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD THE PATENT APPEALS AND INTERFERENCES

Group Art Unit 3621 : PATENT APPLICATION  
Examiner Bradley B. Bayat :  
In re application of :  
JAY LEVENSON ET AL. : SYSTEM AND METHOD FOR THE  
PAYMENT AND ACCOUNTING OF  
Serial No. 09/921,629 : PETTY DISBURSEMENTS  
Filed August 3, 2001 :

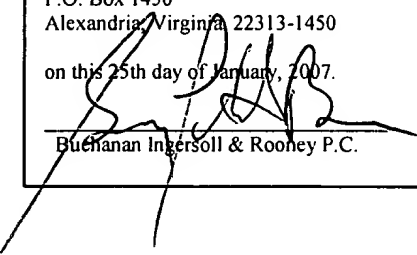
**A. REPLY BRIEF**

This Brief is in response to the Examiner's Answer mailed December 1, 2006.

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on this 25th day of January, 2007.

  
Buchanan Ingersoll & Rooney P.C.

**B. STATUS OF CLAIMS**

The statement of the status of the claims contained in the Appeal Brief and Answer is correct.

**C. GROUND OF REJECTION**

Grounds of rejection to be reviewed on appeal are correct as stated in the Appeal Brief and Answer.

#### **D. ARGUMENT/REMARKS**

The invention of the present application and that described in the publication US 2003/0120571 A1 (hereinafter "Blagg") are vastly different. Blagg teaches technology for linking accounts to process them in a group manner for standardizing account parameters and information whereas the invention of the present application as stated in the claims is for "a system for payment of petty cash disbursements" (see claim 1 et al. and abstract, paragraph 1). The Blagg reference teaches only authorization and auditing of dependent accounts. It does this through the use of group data, parameters, and records. It does not deal with a method for transferring funds from an owner of a bank account to a subordinate purchasing card account. There are no teachings nor suggestions in the Blagg reference where "the owner of said bank account may authorize the transfer of funds to any master purchasing account to cover purchases made using that master purchasing account or any subordinate purchasing card account linked to that master purchasing card account".

#### **I.**

The Examiner's Answer has added a new ground of rejection that was not contained in the final rejection of December 1, 2006.

Specifically, Applicants claim 1 contains limitations in the two last subparagraphs "owner of said bank account may authorize the transfer of funds to any master purchasing card account...or any subordinate purchasing card account..." and "the owner of any said purchasing card account may authorize the movement of funds from its own account to any subordinate purchasing card account...". These two limitations are not found anywhere in the Blagg reference because they deal with transfer of funds from one level of card owner to another or from the bank to subordinate card holders. Applicants' invention as has previously been stated

deals with a method for payments of petty cash disbursements and the actual money transfer of funds to a hierarchical system of card holders. The Blagg reference does not anticipate any transfer of cash or funds through the bank from a parent to a child card. It is, in fact, a method of controlling the type and amounts of expenditures undertaken by the child's card. In addition, Blagg is an information or data gathering method so that card expenses can be grouped on a single statement of like members of the group. As such, the parents can see all children (group) expenditures on one statement and the group will have set limits.

## II.

The Examiner has stated that the above limitations in the Applicants' claims are merely optional elements and do not constitute limitations that need to be found in the Blagg reference (see pages 8-11). This is a new ground of rejection not contained in the Final Office Action. The Examiner cites *In re Johnson* 435 F.3d 1381, 77 USPQ2d 1788, 1790 (Fed. Cir. 2006). The Answer incorrectly applies the Johnson case to the Applicants' claims. The Johnson case dealt with patent claims for a large diameter spiral pipe. The Johnson claims contain a description of the pipe which included "further including that said wall may be smooth, corrugated, or profiled with increased dimensional proportions as pipe size is increased". This claim in Johnson utilized the word "may" in describing a surface of a structural pipe. The words smooth, corrugated or profile that follow the word "may" are obviously alternative structures from the claim context. In this Johnson context, the Board found that these elements were optional and did not narrow the claim because they can be omitted.

The word "may" in the context of the present claims of the application clearly is not in an "optional" sense. The word "may" in the claims is a claim limitation and relates to the ability of the recited entity to authorize or transfer funds. Merriam-Webster's online dictionary defines the

word "may" as "having the ability to", "have permission to", "be free to". A copy is attached as Exhibit 1. The claim language does not suggest or state an optional step or structure; instead, it is stating the fact that the owner of said bank account has the power or ability to authorize fund transfers to a master purchasing card. Similarly, the claim states that said purchasing card accounts may authorize the movement of funds of its own account to any subordinate purchasing card account. In this context, the words "may authorize" clearly indicate that the owner of the purchasing card has the ability, power, or authority to authorize movement of funds. Its use is the same as, for example, "Having the key to the lock, I may open the door". It shows and states ability to do something.

Because this is a new ground for examination and rejection, the Applicants' request that if the Board considers such grounds, it would be proper to dismiss this appeal and refer the case back to Examination so that Applicants in the context of an Official Action received from the Examiner can respond to such grounds for rejection. The Examiner's Answer is an improper proceeding in which to interject a new ground of rejection not raised in the Final Rejection from which this Appeal is taken.

### III.

While the Answer would like to remove the limitations for authorization of transfer of funds from the claims, such can be understood because the Blagg reference does not include any teaching with regard to transfer of funds from the owner of the bank account to master purchasing accounts or subordinate purchasing accounts. Neither does Blagg teach that purchasing card accounts may authorize the movement (transfer) of funds from its own account to any subordinate purchasing card account. It is to be noted that the claim requires such movement or transfer of funds into specific card accounts. Transfer downward from a master

account card to a subordinate purchasing card account is not stated anywhere in the Blagg reference. The words "transfer of funds" do not appear in a word search of the Blagg publication.

The Examiner in his chart on page 10 indicates that references in Blagg that teach "where the owner of said bank account may authorize the transfer of funds to any master purchasing card account to cover purchases made using that master purchasing card account or any subordinate purchasing card account linked to that master purchasing card account" are contained in paragraphs 35 and 75-78 and 134-142.

A. The Answer misquotes paragraph 35. Paragraph 35 deals strictly with credit line and management of credit line. It discusses the Blagg reference including three credit options all dealing with credit line; none deal with actual cash transfers or funds between respective master and subordinate purchasing card accounts. The last two sentences in this paragraph discuss not the Blagg teachings but alleged prior art applications that include monetary balances being transferred to an owner account and the individual line (we assume this means credit line) is refreshed. The final sentence states that in this type of application the individual is authorized against a monthly spending limit rather than a true credit line. It is noted that these are strictly credit matters not having to do with disbursing or transferring petty cash or actual funds. In addition, it is clearly the credit line which is refreshed. The credit line is only refreshed as to the difference between the balance of credit in the account and supposedly some limit. It does not disclose the teachings of the present patent claims that are on appeal.

B. Paragraph 75 is directed to liability for credit expenditures on cards and discusses the fact that a primary owner and a dependent card holder can be jointly responsible for a depending account. This discussion is with regard to liability such as would occur when a parent cosigns

for a line of credit with a dependent child card holder. It is only directed to legal liabilities, not to a method for transferring funds. Once again, the words "funds" and "transfer" do not appear in the cited paragraph.

C. Paragraphs 76 and 77 are paragraphs that relate to the group master data. Once again, this patent is directed to data records and information. Paragraph 77 solely relates to exchange of associated records and does not relate to any funds transferred.

D. Paragraph 78 relates to group credit lines available. It does not relate to transfer of funds or authorization to transfer funds between master purchasing card accounts and subordinate purchasing card accounts. It relates and only references group credit lines. In essence, its teaching is that when in a group there may be a credit line for each individual account that is established. This is a credit line, it is not a transfer of funds between a master purchasing card account and subordinate purchasing card accounts. It is merely the limit which each individual account will have as its credit line limit.

E. Paragraphs 134-142 cited by the Examiner as teaching transfer of funds between master purchasing cards and dependent subordinate purchasing cards does not, in fact, teach such limitation. These paragraphs clearly relate to the authorization of transactions that can be undertaken by a individual credit card holder as a member of the group. It does not teach the transfer of funds or the authority to transfer funds from a master purchasing card account to a subordinate purchasing card account.

F. The Examiner also cites Figure 8A, reference 806 as showing the authorization of transfer of funds between a master credit card account and a subordinate purchasing card account. Figure 8A, block 806 states "apply remainder to key account".

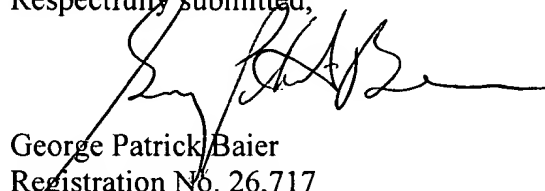


Paragraph 148 discusses the step contained in Figure 8A reference 806. The functions in Figure 8A follow the paragraph 143 "applying a payment". These operations are not for actual funds transferred, but are for an accounting and informational purpose of a payment previously made. The input to block 806 in Figure 8A is block 804 which is applying the payment to satisfy LSB for each dependent account. It is noted that LSB in fact is merely an accounting term for "Last Statement Balance", a reporting function, not a transfer of funds. The operations related to Figure 8A and specifically block 806 are geared towards the reporting of activities that will be reported as occurring from one account or another (see paragraph 144). Paragraph 148 is again dealing with reporting responsibilities for payments such that if a payment is applied by one party, it may in fact be credited on an accounting sheet as having been incurred for the benefit of other members in the group. Referring to paragraph 148, without regard to what is meant by block 806; it is clear that the crediting is not done between a master purchasing card to a subordinate purchasing card account. Box 806 and its respective paragraph 148 does not teach that funds are transferred from the master account to subordinate accounts. It suggests that credits for overpayments may be transferred to other members of the group but it does not suggest that any funds are authorized or transferred downward from a master account to a dependent subordinate purchasing card account.

### CONCLUSION

The Board should reverse the Examiner's final rejection and allow the claims to issue. Or in the alternative, it should dismiss the appeal and refer the application back to prosecution for a proper examination with the Examiner raising the new grounds of rejection relating to *In re Johnson* permitting Applicants to properly respond thereto.

Respectfully submitted,



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Date: January 25, 2007



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## may

7 entries found for **may**.

To select an entry, click on it.

may[1,verbal auxiliary]

may[2,noun]

May

May[1]

devil-may-care

May Day



Go



Main Entry: **<sup>1</sup>may**

Pronunciation: 'mA

Function: *verbal auxiliary*

Inflected Form(s): *past might* /'mIt /; *present singular & plural may*

Etymology: Middle English (1st & 3d singular present indicative), from Old English *mæg*; akin to Old High German *mag* (1st & 3d singular present indicative) have power, am able (infinitive *magan*), and perhaps to Greek *mEchos* means, expedient

**1 a** *archaic* : have the ability to **b** : have permission to <you *may* go now> : be free to <a rug on which children *may* sprawl -- C. E. Silberman> -- used nearly interchangeably with *can* **c** -- used to indicate possibility or probability <you *may* be right> <things you *may* need> -- sometimes used interchangeably with *can* <one of those slipups that *may* happen from time to time -- Jessica Mitford> -- sometimes used where *might* would be expected <you *may* think from a little distance that the country was solid woods -- Robert Frost>

**2** -- used in auxiliary function to express a wish or desire especially in prayer, imprecation, or benediction <long *may* he reign> <*may* the best man win>

**3** -- used in auxiliary function expressing purpose or expectation <I laugh that I *may* not weep> or contingency <she'll do her duty come what *may*> or concession <he *may* be slow but he is thorough> or choice <the angler *may* catch them with a dip net, or he *may* cast a large, bare treble hook -- Nelson Bryant>

**4** : SHALL, MUST -- used in law where the sense, purpose, or policy requires this interpretation

**usage** see CAN

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